UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: October 11, 2006]²

Bill No. and sponsor: S. 3264 (Mr. Bill Frist of Tennessee on behalf of Mrs. Elizabeth Dole of North Carolina).

Proponent name, location: National Council of Textile Organizations, Washington, DC.

Other bills on product (109th Congress only): S. 3265.3

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning (provided for in subheading 5504.10.00).

Check one:	X Same as that in bill as introduced.
	Different from that in bill as introduced (see Technical comments section

Product information, including uses/applications and source(s) of imports:

According to the proponent, the subject product, staple fibers of viscose rayon, are used in a variety of textile and nonwoven applications, including mattresses, baby wipes, upholstery, medical products, and arts and crafts. These fibers are imported from various countries, including Spain and China.

Estimated effect on customs revenue:

HTS subheading: <u>5504.10.00</u>							
$\bigg\rangle$	2006	2007	2008	2009	2010		
Col. 1-General rate of duty	4.3%	4.3%	4.3%	4.3%	4.3%		
Estimated value <i>dutiable</i> imports	\$75,538,560	\$75,538,560	\$75,538,560	\$75,538,560	\$75,538,560		
Customs revenue loss	\$3,248,158	\$3,248,158	\$3,248,158	\$3,248,158	\$3,248,158		

Source of estimated dutiable import data: Official U.S. Government statistics.

¹ Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ S. 3265 covers a subset of the products covered by this bill.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
National Council of Textile Organizations (Proponent) Missy Branson, 202-822-8026	08/10/2006 08/17/2006 08/23/2006	No	No	No
National Textile Association David Trumball, 617-542-8220	07/28/2006	No	No	No

Technical comments:⁴ None.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

S. 3264

To suspend temporarily the duty on staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning.

IN THE SENATE OF THE UNITED STATES

May 26, 2006

Mr. Frist (for Mrs. Dole) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. STAPLE FIBERS OF VISCOSE RAYON, NOT
- 4 CARDED, COMBED, OR OTHERWISE PROC-
- 5 ESSED FOR SPINNING.
- 6 (a) In General.—Subchapter II of chapter 99 of
- 7 the Harmonized Tariff Schedule of the United States is
- 8 amended by inserting in numerical sequence the following
- 9 new heading:

"	9902.55.04	Staple fibers of viscose rayon, not					
		carded, combed, or otherwise processed					
		for spinning (provided for in subheading					
		5504.10.00)	Free	No change	No change	On or before	
						12/31/2009	,,

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after
- 4 the date of the enactment of this Act.

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